

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
MARSHALL DIVISION

NETLIST, INC., ( CAUSE NO. 2:22-CV-203-JRG  
)  
Plaintiff, ( )  
vs. ( )  
MICRON TECHNOLOGY, INC., ( )  
et al., ( ) MARSHALL, TEXAS  
( ) AUGUST 22, 2023  
Defendants. ( ) 9:00 A.M.

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MOTION HEARING

BEFORE THE HONORABLE ROY S. PAYNE  
UNITED STATES MAGISTRATE JUDGE

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1 THE COURT: Good afternoon. Please be seated.

2 For the record, we're here for the motion hearing in  
3 Netlist versus Micron Technology, et al., which is Case  
4 No. 2:22-203.

5 Would counsel state their appearances for the record?

6 MR. BAXTER: Good afternoon, Your Honor. Sam Baxter  
7 with McKool Smith and Jason Sheasby for the Plaintiff. And  
8 we're ready to go.

9 THE COURT: All right. Thank you, Mr. Baxter.

10 MR. HILL: Good afternoon, Your Honor. Wesley Hill,  
11 Mike Rueckheim, and Byuk Park on behalf of Micron. And we're  
12 ready to proceed.

13 THE COURT: All right. Thank you, Mr. Hill.

14 Don't worry. I see you, Mr. Sheasby.

15 MR. SHEASBY: I wanted to stand as a sign of  
16 respect.

17 THE COURT: Thank you.

18 We have motions by both sides on the agenda today, but  
19 the Plaintiff's motions were filed first, so unless counsel  
20 have a better idea, we'll just start with those.

21 MR. SHEASBY: May it please the Court, Your Honor.

22 This is motion Docket No. 131, which I think is the first  
23 in order that was filed this relates to license agreements  
24 that have been produced.

25 And one of the things I think is very important is that

1 it creates a dangerous precedent when the holder of a document  
2 serves as the gatekeeper as to the ultimate admissibility of  
3 the document, and the issue that we have is that there is a  
4 corpus of license agreements that relate to DRAM or memory  
5 module that Micron has entered into over a period of its  
6 history. Those agreements are properly discoverable. They  
7 relate at the same level to the same technology as the  
8 patents-in-suit and, therefore, they're technologically  
9 comparable.

10 What Micron is doing, and I don't attribute any ill-will  
11 towards it, is that there is at least one agreement, which is  
12 the Rambus agreement--and there are likely others--that it is  
13 self-selected and refuse to produce. And it hasn't refused to  
14 produce them because they're not technologically comparable;  
15 it has refused to produce them for various reasons. For  
16 example, it said, Well, this was part of a settlement of  
17 litigation, or in the case of Rambus, there was a  
18 Rambus/Samsung agreement that was signed. My expectation is  
19 the terms of the Rambus/Micron agreement are similar to the  
20 Rambus/Samsung agreement. And apparently Micron's counsel sat  
21 in the hearing -- the trial between Netlist and Samsung and  
22 was unhappy with the decisions that Judge Gilstrap made  
23 regarding the use of that agreement.

24 I would respectfully submit that the decision as to  
25 admissibility is different from the decision as to

1        responsiveness to a production. The agreements that relate to  
2        DRAM technology should be properly produced; they should not  
3        be self-edited or self-selected. Judge Gilstrap can properly  
4        or Your Honor can properly make the decision as to whether the  
5        agreement is admissible in front of the jury and the use that  
6        can be made to that agreement.

7                If this was a situation in which we were looking for  
8        agreements that were not technically comparable agreements --  
9        let's say Micron had a division that was making cell phones.  
10       It is perfectly principled for Micron to say, We don't think  
11       the division that produces cell phones needs to be produced,  
12       and that is something we can engage on a technological basis.  
13       The argument is we don't like the rate or we think you're  
14       going to misuse this agreement in front of the jury is  
15       usurping the role of the judge.

16               And so we respectfully submit that Micron be ordered to  
17       produce all license agreements it has entered into relating to  
18       DRAM.

19               Thank you, Your Honor.

20               THE COURT: And is that the way you would propose to  
21       define the relevant technology as relating to DRAM?

22               MR. SHEASBY: I would, and I'll explain to you why.

23               It is quite clear to us that the ability for us to agree  
24       on what is in and out from a technologically comparable  
25       standpoint is not feasible. So, for example, Micron has at

1 times said, Well, worldwide license agreements are not  
2 comparable because they may include things in addition to  
3 DRAM. Flip-side is it's produced and it's relying on  
4 worldwide license agreements when it desires to do so. In  
5 fact, it is arguing that two worldwide license agreements that  
6 we entered into with SK hynix and Samsung are highly  
7 comparable. Those agreements include DRAM, but they also  
8 include lots of other technologies. And so a way to stop us  
9 from having this fight is produce all agreements that licensed  
10 DRAM. We can then have a fight about response -- relevance  
11 and admissibility in front of the Court.

12 THE COURT: And is there any disagreement between  
13 the parties about the relevant time frame?

14 MR. SHEASBY: So they went back 10 years, they said.  
15 I'm slightly uncomfortable with the fact that they arbitrarily  
16 selected 10 years. That wasn't the -- certainly we did not  
17 limit the request. And so they didn't identify there as being  
18 any extraordinary burden as to going back longer than 10  
19 years, and so they have set a 10-year arbitrary limit. That  
20 would bring us back to 2013, thereabouts. They're actually  
21 relying on agreements that we entered into before 2013 for  
22 their case against us. And so, once again, I'm concerned at  
23 that arbitrary 10-year limit.

24 If they would have come to me and said, Listen, if we go  
25 back 20 years it's going to be a thousand-fold agreements;

1 we're not just going to do that, that would be something we  
2 could engage, but I've seen no principled reason for the  
3 10-year cutoff. It doesn't in any way relate to the nature of  
4 the case or the technology. The patents-in-suit were filed  
5 more than 10 years ago, and so the technology is a vintage  
6 that's actually much older than 10 years. So there is also a  
7 concern about that arbitrary 10-year cutoff.

8 THE COURT: What year does the damages model begin?

9 MR. SHEASBY: So the damages model began for the two  
10 patents-in-suit that relate to DDR4. DDR4 began to be  
11 developed in 2011, I believe, and I believe our patents were  
12 filed in 2004 and 2007.

13 THE COURT: All right. Thank you, Mr. Sheasby.

14 MR. RUECKHEIM: Your Honor, Mike Rueckheim on behalf  
15 of the Micron Defendants.

16 Your Honor asked how Netlist defines the relevant  
17 technology here, and Mr. Sheasby I think focused in on DRAM.  
18 Netlist has already defined the relevant technology here, and  
19 this is mentioned in Micron's briefing. There is three --  
20 Netlist served a document request type letter first thing in  
21 the case with hundreds of different topics in it, and there's  
22 three topics in there, 33, 44, and 75--it might be four; I  
23 think 62 as well is mentioned in our briefing--that defines  
24 -- that says, We want license agreements relating to L R dim  
25 data buffer retiming features as used in LRDIMM. We have

1 license agreements relating to implementing power management  
2 circuitry on the modular board and the DDR5 DIMM.

3 And so that's what we did. We produced -- there's a  
4 little difference, I think, maybe in the disagreement or  
5 changed in scope as to what Netlist is seeking in its motion  
6 versus what they asked us to produce or we did produce. And  
7 as far as the relevant time frame, most of the patents, four  
8 of them in this case, issued in 2020 to more recent, so just  
9 within the last couple of years. There is the two patents  
10 that relate to what's called HBM, or they're accusing HBM  
11 products that issued earlier in time, 2016, 2014, but the  
12 first accused sale of HBM products wasn't until 2021. So we  
13 chose 10 years because it's well before any hypothetical  
14 negotiation in this case.

15 So that takes us to I think the real problem, as --  
16 counsel for Netlist focused in on this Rambus agreement.  
17 That's the real dispute here--whether or not we should produce  
18 this Rambus agreement. And we have withheld the Rambus  
19 agreement. We've offered to produce the Rambus agreement with  
20 the royalty amount redacted out. And the problem here, Your  
21 Honor -- and I agree with Mr. Sheasby that this can be  
22 addressed at a MIL stage or a *Daubert* stage or an  
23 admissibility-type argument, but the problem here is I did  
24 attend the Samsung/Netlist trial, and as stated in Netlist's  
25 own briefing--this is from the joint status report they filed



1 last night--they mentioned that the royalty amount, this  
2 amount was mentioned repeatedly at trial. And they did. They  
3 mentioned this huge amount of the Samsung/Rambus license  
4 repeatedly at trial, yet when they're talking to Judge  
5 Gilstrap in the pretrial proceedings--and we've quoted a lot  
6 of these--this is Netlist's counsel says, "Mr. Cordell,  
7 Samsung's counsel, is right. If the expert would have come in  
8 and said X hundred million dollars is what they paid Rambus,  
9 give us that. That would be totally inappropriate." Totally  
10 inappropriate. And it is totally inappropriate. To give the  
11 jury such a high number like that, it risks jury confusion,  
12 and that's exactly why we're offering the license with the  
13 license amount redacted.

14 There's a lot of issues that can come up at MILs and we  
15 can address it then, we can address it at *Daubert*, but to make  
16 sure this issue was addressed, because it's an important  
17 issue, we are offering to produce it with that amount  
18 redacted.

19 THE COURT: All right. I don't see any basis to  
20 redact the amount during discovery if you're not able to show  
21 that it is not discoverable. And I understand that you take  
22 the position that improper use was allowed of the amount at a  
23 prior trial. I don't know what to do with that argument.  
24 You're saying the Court is not able to properly control the  
25 arguments of counsel? I'm not sure what.

1 MR. RUECKHEIM: No, Your Honor.

2 I do think this can be addressed in MIL or *Daubert*.

3 This -- so the reason we're withholding is lack of relevance.

4 This is a non-technically comparable license. Counsel for

5 Netlist just said it was technically comparable, but its own

6 expert in the Samsung case said the opposite; it shouldn't be

7 used to determine the royalty amount. And so that's the

8 reason for withholding it, but I do understand Your Honor's

9 point that this can also be addressed at a later time.

10 THE COURT: All right. Well, with respect to the  
11 Rambus license, I will order that it be produced unredacted.

12 With respect to other licenses, point me to the  
13 description that you say is in your brief of the relevant  
14 technology.

15 MR. RUECKHEIM: If Your Honor has -- I think we  
16 copied into the joint status report that was filed last  
17 night --

18 THE COURT: All right.

19 MR. RUECKHEIM: -- as -- I don't have the docket  
20 number, but it was filed last night.

21 THE COURT: That was Docket No. 152.

22 MR. RUECKHEIM: 152? And on page 3, if you see near  
23 the bottom of the page, there's some wording in bold. That's  
24 directly quoting Netlist document requests in this case.

25 THE COURT: And what you're saying is that the only

1 licenses that they have requested in discovery are those that  
2 are described at the bottom of page 3 of your joint notice?

3 MR. RUECKHEIM: That is correct, Your Honor.

4 THE COURT: All right. Well, let me hear the  
5 response to that. Thank you, Mr. Rueckheim.

6 MR. SHEASBY: Your Honor, that's not accurate.  
7 There was an original letter that was sent out to begin to  
8 discuss documents that are relevant. We asked for certain  
9 license agreements. We listed 163 categories of license  
10 agreements; 163 categories of topics that we wanted discovery  
11 on. It soon became apparent to us that we were not  
12 comfortable with the way Micron was identifying the buffer or  
13 relating to buffer or relating to HBM or relating to on-module  
14 power management because that would require it to literally go  
15 through each of the patents that were licensed to make a  
16 determination, which I -- they could not do and I -- it's not  
17 proper for them -- it would be -- it's inconceivable -- it's  
18 unfeasible for them to represent that they went through each  
19 of the license agreements and identified a patent that relates  
20 to a buffer or relates to on-module power management or  
21 relates to some feature of an LRDIMM.

22 And so what we did in our subsequent meet and confers is  
23 we just said basically, Give us anything that relates to  
24 semiconductor or semiconductor manufacturing, because DRAMs  
25 and HBM are made--HBMs in particular are made using a

1 semiconductor manufacturing process--memory products,  
2 transistors or circuits, or components, or services of other  
3 personal computers. That's the revised request we made  
4 because we realized it was impossible for them to confirm  
5 compliance with our original request because we required them  
6 to look at every single patent.

7 And so basically what we've done is this is the bidding  
8 that we came to them as a compromise with. They declined that  
9 compromise and that led to the motion practice.

10 THE COURT: And how would DRAM stand as a substitute  
11 description for this?

12 MR. SHEASBY: Yeah. So DRAM is all of these things.  
13 And it's a semiconductor, it's used in memory products,  
14 transistors, and circuits, and it's a component of servers and  
15 other personal computers. And so it's a way of them being --  
16 easily being able to look at the agreement and say, Did this  
17 agreement license DRAM products? If the agreement licensed  
18 DRAM products, it would fall into these categories.

19 And so the idea is to make this in a way that doesn't  
20 place an undue burden and doesn't create additional disputes,  
21 because the problem with the original requests--and this is  
22 part of our responsibility--is there's no way they've gone  
23 through each of the license agreements to confirm whether one  
24 of the patents relates to the specific technology in the --  
25 that are claimed by the patents, and so we went for the

1 broader category there.

2 I should also say I misspoke, Your Honor. The first  
3 patent was filed in 2009.

4 THE COURT: All right. Thank you, Mr. Sheasby.

5 Mr. Rueckheim, tell me why I shouldn't use DRAM as the  
6 descriptor for the relevant technology, at least at the  
7 discovery stage.

8 MR. RUECKHEIM: So I guess I want to maybe address  
9 what Netlist actually served as far as its request for  
10 licenses. And so what -- I think Mr. Sheasby said that it's  
11 impossible for Micron to go there and look for licenses that  
12 cover those requests. It wasn't. We did. And we produced  
13 them.

14 And then as far as comparability, comparability I believe  
15 is a subject matter for really experts to discuss. And so  
16 comparability on the production stage is striking me a little  
17 bit odd, only because they've asked for production of certain  
18 materials and we produced them. And I think Mr. Sheasby  
19 really just pointed to it's his motion which changed the  
20 request and now is asking for that material I guess in  
21 addition to anything involving DRAM. So I'm a little thrown  
22 off by it.

23 THE COURT: Well, you know, under the Eastern  
24 District rules, the discovery obligation for documents is not  
25 really tied to the requests that a party has made; it's tied

1 to relevance.

2 MR. RUECKHEIM: Understood, Your Honor.

3 THE COURT: And so that's why I'm trying to figure  
4 out the best way to describe what for discovery purposes would  
5 be relevant technology. I don't like having orders that are  
6 not easily understood. And I'm willing to go with your  
7 timeline, the last 10 years, especially since, as I understand  
8 it, you've already done a search in that time frame, and --  
9 but I want to capture the -- some relevant field of  
10 technology, and I'll go with DRAM unless you can talk me out  
11 of it.

12 MR. RUECKHEIM: My co-counsel Mr. Park reminded me  
13 it's probably more accurate to say DRAM modules, just because  
14 this case is more about the actual module than the DRAMs that  
15 are on the module. But, Your Honor, I am fine for production  
16 purposes DRAM modules going back 10 years.

17 I will say that there's -- you know, just to avoid any  
18 confusion in the future, to the extent there's licenses  
19 involving trade secrets, that that's definitely not comparable  
20 in any sense here under our view or -- I think Mr. Sheasby  
21 mentioned licenses regarding semiconductor manufacturing.  
22 That's another one that has nothing to do with the issues in  
23 this case. But to the extent the Court is -- wants to adopt  
24 DRAM modules, that's perfectly acceptable for Micron.

25 THE COURT: All right.

1 MR. SHEASBY: A couple of issues.

2 The idea that the proposal that we were asking for was in  
3 our motion, it's just inaccurate. It was in our  
4 correspondence mirroring what we just said in the motion  
5 itself. So it wasn't like we just came up with something in  
6 the motion; we asked them to produce these in meet and confer  
7 and they declined.

8 Second issue. Once again, the DRAM versus DRAM module is  
9 of issue with us, and the reason for that is that HBMs are not  
10 DRAM modules. HBM, which is one of the accused products, are  
11 four or six little wafers of DRAM that have holes drilled into  
12 them and are stuck together. Those are not a DRAM module.  
13 Those are actually produced at a semiconductor manufacturing  
14 stage because of the TSVs that run through them and because  
15 they're packaged, and that's exactly why I said DRAM as a way  
16 of being able to sweep in both HBM technology as well as  
17 module technology.

18 THE COURT: All right.

19 MR. RUECKHEIM: With that clarification, Your Honor,  
20 we're fine with DRAM.

21 THE COURT: All right. So I'll grant the motion  
22 with respect specifically to the Rambus license, but further,  
23 with respect to any additional licenses that have not already  
24 been produced that relate to DRAM over the last 10 years. And  
25 that takes us to the next motion.

1 MR. SHEASBY: Yes, Your Honor. I believe the next  
2 motion on the docket is the --

3 THE COURT: It's Document No. 132, I believe.

4 MR. SHEASBY: Yes. That's correct.

5 And this motion has I think three parts to it. The first  
6 part of it is something that we tried very hard to resolve and  
7 it should not be in front of Your Honor--I will just leave it  
8 at that--which is that Samsung -- SK -- Micron has taken the  
9 position that if -- it has PowerPoint presentations that  
10 include in them a circuit diagram or a line of what it would  
11 describe as LTR code. It refuses to produce those because it  
12 says they're source code and they can be only examined on a  
13 source code computer.

14 So we went back to Micron and we explained to them a  
15 couple of issues. And this is the protective order, and I'll  
16 show it to Your Honor. The protective order doesn't talk  
17 about PowerPoint presentations that include a line of code or  
18 a circuit diagram; they talk about source code and live data.  
19 There's no reference to documents containing source code or  
20 live data as itself being a source code document.

21 THE COURT: All right.

22 MR. SHEASBY: And you see, if you go through the  
23 whole definition of source code, there is no part of the  
24 source code definition that relates to a PowerPoint  
25 presentation that includes a circuit diagram. There is an



1 express provision for instances in which a document includes  
2 source code material that allows for them to be printed out,  
3 allows them to be used like any other document, as long as  
4 they have a special source code designation on it.

5 So source code can be printed out. The problem is the  
6 following: The source code that can be printed out is only 75  
7 consecutive pages or 950 total pages. So these are large  
8 groups of PowerPoint presentations and documents that Micron  
9 is claiming fall into the definition of source code material  
10 because they may include a circuit diagram, they may include a  
11 line of code.

12 It's impossible for us to get and access those documents  
13 because they treat them on the source code computer, and if we  
14 ask to print them out, they say you've exceeded your 950  
15 pages, you're done. Of course 950 pages is not the maximum;  
16 it's a rule of reason.

17 So we've proposed the following compromise to Micron. If  
18 they will allow the printout of the PowerPoint presentations  
19 and memorandum, we will treat them as source code. We will  
20 treat every single page with the same gravity of the  
21 protection of source code in terms of who can look at it, when  
22 it can be printed out, how it can be printed out. But the  
23 ability for you to put a huge number of PowerPoints, which we  
24 need to prepare our case, on a source code computer, limit the  
25 number of printouts, destroys the purpose of the protective

1 order which is allow both -- a balance between protection and  
2 being able to advance the case. I have no idea why the  
3 proposal that we've made, which is print out the documents, we  
4 will treat them all as source code protected, is not a  
5 sufficient resolution to this dispute.

6 THE COURT: Tell me -- you mentioned PowerPoints.  
7 What are the other categories of documents in which this  
8 occurs?

9 MR. SHEASBY: Data sheets, PowerPoints, and memos.

10 THE COURT: And memos meaning memos back and forth  
11 among Micron --

12 MR. SHEASBY: Employees, yes.

13 THE COURT: Employees.

14 MR. SHEASBY: And Excel spreadsheets. That's the  
15 other one.

16 So basically the ruling would be anything that is in a  
17 PDF format which is not live, and by being not live, it  
18 doesn't fall in the definition of source code, and it can't  
19 be -- and anything that's PDF format, a PowerPoint format, a  
20 memo format, or an Excel format we will treat as source code  
21 protection, but it should be allowed to be printed out  
22 and -- as such.

23 THE COURT: All right. And so really you're just  
24 focused on having those not count in the number of pages of  
25 source code that you're allowed under the protective order.

1 MR. SHEASBY: Right. It's the consecutive page  
2 limitation and to the extent that the presentations are  
3 greater than 75 pages, and it's the -- it's 950-page  
4 limitations.

5 And literally I see them. They brought examples with  
6 them. May I approach?

7 MR. RUECKHEIM: Sure.

8 MR. SHEASBY: These are the type of things that  
9 they've put on the source code computer and are limiting our  
10 ability to print out. This is a PowerPoint presentation that  
11 was made by an employee.

12 I won't show any page. Don't worry. Don't worry. Don't  
13 worry.

14 And so this is a memo -- there's a memo that I'll  
15 approach Your Honor with so you can see it.

16 THE COURT: All right.

17 MR. SHEASBY: It's a memo. It's not source code;  
18 it's a PDF. It's screenshots of an excel spreadsheet that  
19 were taken by an engineer and created.

20 THE COURT: And what is your understanding of the  
21 purpose for which these documents were created?

22 MR. SHEASBY: These documents were created by  
23 engineers as they were describing the design of their  
24 products.

25 And so one of the things I don't want to have is a debate

1 about whether Micron should vigorously protect its  
2 confidential information. They should. They have every right  
3 to make sure that -- here's another example, if I may, Your  
4 Honor. May I approach again?

5 THE COURT: All right.

6 MR. SHEASBY: So this is physical annotations of  
7 designs where engineers are describing what -- and  
8 interpreting what a figure shows. And then there's a  
9 dozen -- I'm just holding them up. There's a pile of these  
10 PowerPoint presentations.

11 THE COURT: And is it your understanding that these  
12 are precursors to the written or compiled source code?

13 MR. SHEASBY: So there are two things. They are  
14 interpretations of the compiled source code or they are -- not  
15 everything is expressed in source code. For example, most of  
16 the modules do not have source code associated with them; they  
17 just have circuit diagrams. So these may be actually be the  
18 -- most of this is the interpretation of the operation of  
19 what's occurring at a high level.

20 I can pass another one up, Your Honor, which I think may  
21 be more apt.

22 THE COURT: All right.

23 MR. SHEASBY: Basically what they're doing is  
24 they're interpreting the design of their products so that --  
25 this is an engineer explaining what the design and operation

1 of the products is together. So these are the crucial  
2 documents that are the glue that -- they're annotated, they  
3 have detailed explanations of what the designs are doing and  
4 how they're doing. They are basically the critical documents  
5 that we will use to establish infringement.

6 And so what we ask is -- we have no problem if they're  
7 treated as source code. We would just ask that we be allowed  
8 to have anything that's in a PDF format, anything that's in a  
9 PowerPoint, Excel, or Word memo format that did not exceed  
10 the -- not count in the 950-page limit or the 75-page minimum.  
11 That's all we ask.

12 THE COURT: All right.

13 MR. SHEASBY: Thank you, Your Honor.

14 THE COURT: Thank you.

15 I will return these documents for your use.

16 MR. SHEASBY: Thank you, Your Honor.

17 MR. RUECKHEIM: Your Honor, Mike Rueckheim again for  
18 Micron Defendants.

19 I think Mr. Sheasby made a little bit of my argument for  
20 me at the end there. These are engineering documents,  
21 critical documents, Micron's most confidential information  
22 describing the design of the accused products here, the actual  
23 design. They designed and they are considered design for  
24 designs that go into the implemented products that are at  
25 issue in this case.

1           And we have all the documents here. We can walk Your  
2 Honor through exactly how they meet the protective order,  
3 which we complied with. Definition of source code material is  
4 something that defines a physical arrangement of circuits,  
5 such as circuit schematics, which Mr. Sheasby just pointed out  
6 to Your Honor. Layouts, placement, and routing information  
7 that was --

8           THE COURT REPORTER: If you would slow down, please.

9           MR. RUECKHEIM: Oh, no worries.

10          The protective order also -- this is Docket 46 at 6 to 7  
11 also defines any files containing any of the foregoing  
12 schematics, layouts are also source code material.

13          And so what has happened since filing the motion, Your  
14 Honor, is that Netlist's counsel asked us to take again a look  
15 at six of the documents on the machine and provide redactions  
16 of those documents. For example, the first page Mr. Sheasby  
17 showed Your Honor, I don't believe--I just looked at it  
18 quickly-- would -- you know, would be redacted. And it would  
19 just be the implementations that are in the actual design.  
20 And we're happy to do that. We told Netlist we're happy to do  
21 it and we're hoping to have that production complete by the  
22 end of the week.

23          And then Mr. Sheasby also mentioned to me for the first  
24 time today that his concern is really printouts, and I told  
25 him I'd like to consider that with the client to see if

1     there's an issue. But as I sat here I realized there is no  
2     issue. There's a hypothetical issue. Netlist has not  
3     exceeded any printout request nor have we rejected any  
4     printout request. This is a hypothetical concern. I don't  
5     see any reason why Netlist would want to print the entirety of  
6     all these PDF documents. I think it's looking for something  
7     more broad and undefinable. But if there's a concern, let's  
8     address it at the appropriate time.

9             THE COURT: Well, Mr. Rueckheim, I guess that the  
10    page limits on copying are something that exist only with  
11    respect to source code. Right? Other relevant documents do  
12    have to be copied and turned over. So I guess that gets us  
13    back to the question of why are these documents being treated  
14    as source code.

15            MR. RUECKHEIM: It's the inclusion of the layouts,  
16    the schematics, the circuits that show the design of the  
17    accused products that are included in these documents. As  
18    Mr. Sheasby said, these are the critical documents showing the  
19    features here, the features that Micron has considered.

20            I have more examples for Your Honor if you'd like to see  
21    in camera review of these documents that are actually showing  
22    the circuit diagrams here.

23            THE COURT: You know, referring to them as the  
24    critical documents that show the operation of their devices is  
25    just a very compelling reason for the Plaintiff to want them.

1 MR. RUECKHEIM: Plaintiff has them, Your Honor.  
2 They're available for inspection. We offered to redact out  
3 -- I'm sorry. Plaintiff has them for inspection. They have  
4 them. When I say 'redact out', I mean take out -- I'm just  
5 going to hold this up. I don't know if Your Honor can see it,  
6 but diagrams like this, redact those out and then produce the  
7 rest of the information to Plaintiff. But they can see this  
8 diagram and the entire document, if it wants, on the source  
9 code computer. So our offer to produce these redacted, they  
10 still have the full document. We're not trying to hide  
11 anything; we're just worried about protecting the  
12 confidentiality of Micron's confidential source code material.

13 THE COURT: And I'm looking at the protective order  
14 now. Where within the protective order is source code defined  
15 in the manner you're relying on?

16 MR. RUECKHEIM: This is paragraph 8 of the  
17 protective order, and I believe -- I don't have the protective  
18 order in front of me. I have the relevant quote from the  
19 briefing. In fact, now I do have the protective order in  
20 front of me. So it is -- it starts at the beginning of  
21 paragraph 8 and then on the next page, the first full  
22 sentence, this is on page 6.

23 THE COURT: So do you have an estimate as to the  
24 approximate number of pages of the materials we're talking  
25 about here?



1 MR. RUECKHEIM: Your Honor, they've asked about six  
2 documents, and we have the six documents here as far as  
3 printout. As far as the number of pages that Netlist would  
4 later request to print out of these, it's completely unclear  
5 if Netlist believes these are the documents it wants to use to  
6 show alleged infringement or other source code, or if they  
7 just want to print out one page of these documents.

8 THE COURT: All right.

9 MR. RUECKHEIM: And we have a better estimate of it,  
10 Your Honor. Like I said, Netlist asked us to redact out what  
11 we believe is the -- really the most confidential portion of  
12 these and produce the rest and print it -- copy outside the  
13 source material machine so we'll have a better estimate here  
14 based on the number of pages redacted.

15 THE COURT: All right. Thank you, Mr. Rueckheim.

16 MR. SHEASBY: Your Honor, I think it would be fair  
17 to say that no one thought PowerPoint presentations and memos  
18 and Excel spreadsheets on Netlist's side was going to be  
19 locked up in a source code vault and made unusable. What we  
20 know is this. We know that the protective order has a  
21 procedure for when source code materials are part of a larger  
22 document, and what that requires you to do is you can use it  
23 as a normal document, you just need to stamp the specific  
24 pages that contain the source code as 'source code'.

25 THE COURT: You know, Mr. Sheasby, the provision

1     you're talking about is describing a situation where the  
2     receiving party uses it in a report or a brief or some other  
3     document that the receiving party creates.

4             MR. SHEASBY: I agree, Your Honor. My point is, is  
5     that the parties contemplated and Micron is clearly tolerating  
6     the presence of source code -- what they define as source code  
7     in a document that's not locked up on a computer. That's the  
8     point I'm trying to make, which is to say that we will treat  
9     the entire -- for Excel spreadsheets, for Excels, PDF, and  
10    Word documents, we will treat the entire document as source  
11    code only. We just ask that we be relieved from the 950-page,  
12    75 pages. That alone that they brought right now would exceed  
13    our limit.

14            THE COURT: So tell me what number of pages you  
15    expect this might include.

16            MR. SHEASBY: I don't know what additional PDF pages  
17    they would have, and so what I would request is that any  
18    PowerPoint, Word document, or Excel document that is put in  
19    the source code computer not count against page limits, and we  
20    treat it as source code protected only.

21            THE COURT: What I am willing to do is to fairly  
22    arbitrarily pick a number and add it to what the protective  
23    order already provides to cover these categories that you've  
24    mentioned--PowerPoints data sheets, memos, or Excel  
25    spreadsheets that have what Micron believes meet the

1 definition of source code--and I'll arbitrarily put that at  
2 500 pages. And if you think you can justify more than that,  
3 you can meet and confer and then request it if you need it.

4 MR. SHEASBY: And just for a clarification, it's  
5 only the pages they identify as source code that count as  
6 source code.

7 THE COURT: It would be the pages that they -- yes,  
8 that they believe meet this definition of source code.

9 MR. SHEASBY: Okay. Great. I think that should be  
10 enough to get what we need done. Thank you, Your Honor.

11 THE COURT: All right. Your next motion I believe  
12 is --

13 MR. SHEASBY: Your Honor, that was only one part of  
14 the motion --

15 THE COURT: Oh, all right.

16 MR. SHEASBY: -- I'm sorry to say.

17 THE COURT: Me, too.

18 MR. SHEASBY: The next part of the motion is the  
19 continued failure to provide the RTL code for the HBM products  
20 that are at issue in this case.

21 And to give you some context, HBM products are made up  
22 of a group of chips. Each of those chips will have a format  
23 that's designed based on the RTL code. The motion was filed  
24 because when we went to look at the RTL code, there was an  
25 absolute morass of unorganized RTL code that had been

1     literally taken out of whatever context it was in and dropped  
2     in the database such that we could not understand what  
3     particular RTL code went to what particular chip.

4             They -- in the opposition, they point to a file path  
5     where they say go to this file path and you'll find the  
6     correct RTL code. We went to that file path and that file  
7     path was for only a minor portion of the RTL code and it  
8     actually omitted RTL code for a number of their designs.

9             We had a follow-on declaration that we submitted last  
10    night from Doctor Barr that talks about this issue. And so  
11    what is the actual item in this situation? There are four dye  
12    designs that are -- they've disclosed as having RTL code for  
13    them. What we need is for Micron to definitively identify not  
14    a morass of hundred or millions of lines of code, but the  
15    universe of RTL code that relates to those four designs. They  
16    have, to date, been unable to do that.

17            We went to their path that they identified in their  
18    opposition. That path went to a subset of folders that did  
19    not include two of the four core dyes that they designed, and  
20    that subset of folders was only a small subset of the millions  
21    of lines of RTL code on the drive.

22            So we have no idea why they put millions of lines of RTL  
23    code on the drive if there is only a small subset that  
24    actually depicts the products. We don't know if the path that  
25    they describe depicts all the designs, and so what we need is

1 a procedure where they definitively identify what RTL code  
2 relates to each of the dyes.

3 I should say that this is -- if we're talking about  
4 strict adherence to the protective order, the protective order  
5 is -- requires that the source code be produced in tact. And  
6 so what they did was pull out random folders of RTL code is  
7 the exact opposite of what the protective order requires if we  
8 want to be strictly adhered to that.

9 So this is impossible, it seems to me -- I've been in  
10 many, many situations in which one side says they didn't  
11 produce the source code, the other side says they did produce  
12 the source code, there are competing declarations, and there's  
13 no way for the court to arbitrate it.

14 And so what I would just ask is a definitive statement as  
15 to what is the complete RTL in in-tact, unaltered form for the  
16 four core dyes they have designed.

17 THE COURT: All right.

18 MR. RUECKHEIM: Your Honor, Mike Rueckheim again.

19 So there has been a breakdown in the meet and confer  
20 process I think a little bit here because -- particularly  
21 looking at the declaration Netlist submitted yesterday with  
22 the joint status report, it seems to disagree with Netlist's  
23 opening motion. Netlist declarants stated that Micron  
24 actually did identify the directors that have RTL, and that he  
25 reviewed it and did not see RTL for two of the designs that

1 Mr. Sheasby mentioned. And in reality, there are -- there is  
2 no RTL for those two designs, and so that's not surprising.

3 And I think one of the problems we have here is that  
4 the parties had negotiated early in the case, because of the  
5 complexity of the case, that Netlist would -- that Micron  
6 would provide an employee to help Netlist's review of the  
7 source code material, and Netlist later changed its mind  
8 halfway through the case and asked Your Honor successfully  
9 to exclude Micron from having somebody there to help with  
10 identification.

11 That set aside, we did on two occasions show -- this is  
12 after the fact, after the Court had ordered Micron doesn't  
13 have to have an employee there or amended the protective  
14 order. We did show Netlist's reviewer where the RTL code is.  
15 It's in a folder that I believe has the word 'RTL' in it.  
16 They found it, they reviewed it, and I think just the only  
17 confusion here is that Mr. Sheasby was looking for RTL for two  
18 of the designs and there is none.

19 THE COURT: What do you say to the argument that in  
20 this case Micron did not produce its RTL code in the manner in  
21 which it's used in an in-tact format?

22 MR. RUECKHEIM: So I did hear that, Your Honor, from  
23 Mr. Sheasby. I did not see that in the briefing, so I'm not  
24 sure it's a live issue for the Court. But we collected the  
25 material, we offered to have an employee there, and for most

1 of the case did have an employee there to help facilitate the  
2 review; here's where what you're looking for is located.  
3 There is no -- if Mr. Sheasby's alleging this--I'm not sure he  
4 is--but there was no jumbling; this is production of source  
5 code that Micron has that relates to the case.

6 THE COURT: So your position is that Netlist has  
7 seen the RTL code for two of the core dies, but the other two  
8 that are at issue do not have any RTL code?

9 MR. RUECKHEIM: Correct, Your Honor.

10 THE COURT: All right.

11 MR. SHEASBY: So, Your Honor, here's the protective  
12 order that requires the RTL to be produced in in-tact native  
13 format in the structure and organization that it came from.  
14 In Doctor Barr's first declaration he noted there was a morass  
15 of disorganized files of RTL code without any identification  
16 as to what they were. There's millions of lines of RTL code.

17 Then after we filed our motion, in their opposition they  
18 said, Why don't you go look at this link. This link links to  
19 a certain subset of RTL code which, once again, is disembodied  
20 and incomplete, and ignores all the other RTL code that they  
21 produced on the source code computer.

22 I don't know why they produced all those thousands --  
23 millions of lines of RTL code on the source computer which  
24 they say don't relate to anything, but it's been a wild goose  
25 chase.

1           So what we just need is we just need something  
2 definitive. If they only have RTL code for two of the four  
3 core dyes, we ask that they specifically produce that RTL code  
4 in in-tact format and definitively tell us this is the RTL  
5 code, because what we have is just no way of understanding  
6 these files they are in such a disorganized state on the  
7 computer.

8           THE COURT: Do you accept the representation that I  
9 just heard that for the other two of the four core dyes there  
10 is no RTL code?

11           MR. SHEASBY: Well, that's actually inaccurate. So  
12 for the other two of the four core dyes we did find RTL code,  
13 we just -- it's just -- that RTL code is not in the pathway  
14 they pointed to. So that may be incomplete RTL code or maybe  
15 RTL code that is not in its final form.

16           So we did find random RTL code for all four dyes, but  
17 it's not in the path that they pointed to as the definitive  
18 RTL code, which is why -- it is okay for them to have  
19 incomplete RTL code--for example, if two of the core dyes have  
20 not been fully designed--I totally get that. What we just  
21 need is an in-tact format, produce the RTL from the code  
22 database so that it says this is the core dye and all the RTL  
23 underneath it is present. We can see exactly what stage it's  
24 at, we can see exactly what -- how it's been changed and how  
25 it's evolved.



1           And so if they produce the in-tact file structure for the  
2   entire RTL for each of the four core dyes as they exist today,  
3   this problem is resolved. And I don't agree that this was a  
4   new issue, and Mr. Barr -- in Doctor Barr's first declaration  
5   he expressly speeches -- he expressly speaks about the fact  
6   that there are 4 million lines of code that are randomly  
7   collated. This is in paragraph 2 of his declaration. There  
8   is millions of lines of code, and he expressly notes -- is  
9   that in a standard code repository, providing us with an  
10   in-tact tree of official RTL code would take just a few  
11   minutes. This is in paragraph 2 of his original declaration.

12           By the way, he actually did -- as an aside, there's 60  
13   PDFs and PowerPoint files that are in the source code  
14   repository that we've identified. But that's an aside from  
15   the last one because you had asked.

16           He talks about the fact that if they would just give us  
17   the official in-tact tree of the RTL code as it exists for  
18   each of the four dyes as opposed to these random folders that  
19   are spread out or hidden in sub-folders, we can solve this  
20   problem.

21           THE COURT: I'm looking at his declaration, which is  
22   in the record as Document 132-1. Where is it that he  
23   indicates that that can be quickly and easily done?

24           MR. SHEASBY: The last sentence of paragraph 2.  
25   "Using the standard code repositories that are employed

1 throughout the industry, providing Netlist with the in-tact  
2 tree official RTL code would take a few minutes."

3 And I've seen this done. In their code repositories, it  
4 will have the name of the core dye and will have the complete  
5 revision history of all the RTL for that core dye. Instead,  
6 they pulled random folders and said go look at this path,  
7 don't look at this path, and it makes it impossible for us to  
8 review.

9 THE COURT: All right. Thank you, Mr. Sheasby.

10 Mr. Rueckheim, do you have anything from your expert that  
11 controverts the part of Doctor Barr's report that was just  
12 referred to?

13 MR. RUECKHEIM: I'm sorry, Your Honor. Can you  
14 state that one more time?

15 THE COURT: The part of Doctor Barr's report that  
16 Mr. Sheasby just read that says that providing an in-tact tree  
17 official RTL code would take a few minutes, do you have  
18 anything from your expert controverting that?

19 MR. RUECKHEIM: So, no, Your Honor, we don't have  
20 anything from our expert regarding this. I think Mr. Sheasby  
21 now is pointing to a declaration that was included as an  
22 exhibit to the motion to change what he's asking for, and I  
23 understood he was asking where is the authoritative RTL code  
24 for the products at issue here and we told him.

25 Mr. Park here sitting to my left told Netlist reviewers

1 -- he was there in person and personally told them, This is  
2 the folder, this is where the code's at. I don't see what  
3 -- how there could be a disagreement. They know the folder.  
4 The declaration submitted yesterday by the same expert -- so I  
5 guess the answer to your question, Your Honor, is we do have  
6 an expert; it's their expert, Doctor Barr -- Mr. Barr --  
7 Doctor Barr. He submitted a declaration exhibit yesterday  
8 with the joint status report and said that he saw the RTL for  
9 two of the accused designs here. So they have it.

10 Mr. Sheasby then said, Well, what about the other two  
11 designs; there's no RTL? Mr. Sheasby said, Well, I saw RTL --  
12 our expert, our reviewers saw RTL in other folders that  
13 Netlist produced because this is how Netlist has the  
14 information. Show us. But we've never had that conversation.  
15 He's never come to us and said, Hey, Mike, I think we see some  
16 RTL for the accused products here. You are telling me there's  
17 no RTL. Let's have discussion. Instead, he raises this  
18 request. He files a motion immediately, and now we're here  
19 addressing it.

20 THE COURT: I have the second declaration up now.  
21 That's the one that's in the record at 152-3. What part of it  
22 are you referring to, Mr. Rueckheim?

23 MR. RUECKHEIM: Paragraph 3 to start, Your Honor,  
24 says that the code reviewer searched some of Micron's RTL  
25 files. He lists the pathway. These were identified by

1 Micron's counsel. And he inspected it and he says in  
2 paragraph 4, second sentence, "For two of the dyes the Netlist  
3 reviewer did not find RTLs." There is no RTL for those two  
4 dyes. He says, "I understand Micron claims they do not have  
5 RTL code," and then he says, "but the reviewer located some."

6 The problem is we got this declaration I think it was  
7 midnight last night. So if there's RTL -- if we're telling  
8 the Court there is no RTL for these other dyes and their  
9 reviewer is saying yes, there is, I'd like to resolve that and  
10 have time to consider the issue.

11 THE COURT: Well, I guess the request that I'm now  
12 hearing is that Micron perform what Doctor Barr says will take  
13 just a few minutes, and that is to give the RTL code in the  
14 format that he described in his original declaration.

15 MR. RUECKHEIM: So again, Your Honor, it may be just  
16 some kind of lack of understanding probably on my part. But  
17 we've given Netlist the live code. This is the actual code.  
18 It's my understanding is whatever this tree is, it's there.  
19 So if there is a certain software that Netlist has proposed  
20 and it wants us to install it on the source code computer and  
21 perform some tree action, I mean, I'm sure that would be fine,  
22 if he said it's compatible with the live code. But I -- we  
23 told Netlist where the code is at and they reviewed it and  
24 their expert said that.

25 THE COURT: The expert said he had seen some, but he

1 did not -- I did not read that as him taking back what he said  
2 in his original declaration.

3 So I am going to grant the motion to the extent that  
4 Micron will be directed to perform what is described there in  
5 paragraph 2 of Doctor Barr's original declaration, and I'll  
6 set that out in the order. And if you believe you have  
7 complied with that, you can so certify.

8 MR. RUECKHEIM: And just one point of clarification,  
9 Your Honor. I don't know how to do it. I'm hopeful people at  
10 Micron would. They're much smarter than me. But if Plaintiff  
11 here has certain I guess software that it's hoping to generate  
12 a specific result regarding a tree, we'd ask that Plaintiff  
13 identify that and identify what information it's missing from  
14 that code folder that the tree -- if the tree is there or not.  
15 I think -- from what I've been told, it's there.

16 THE COURT: I will also direct that Plaintiff use  
17 its best efforts to assist in describing what that requires.

18 MR. RUECKHEIM: Thank you, Your Honor.

19 THE COURT: Is there anything else in this motion,  
20 Mr. Sheasby?

21 MR. SHEASBY: No, Your Honor.

22 THE COURT: What's next, Mr. Sheasby?

23 MR. SHEASBY: Docket 133.

24 Docket 133 I think is relatively simple. Famous last  
25 words.

1           The -- our interrogatory response for each of their  
2 products requires -- an interrogatory request which they did  
3 not refuse to answer or object to as to these two categories  
4 is third-party components used and third-party component  
5 suppliers.

6           So on their DRAM modules, they use RCD chips, they use  
7 buffer chips, and they use PMIC chips from a number of  
8 different suppliers. For each of their product category,  
9 for -- each of their product ID, it appears that there could  
10 be multiple suppliers for the components. They've represented  
11 to us that they don't know -- they can't on a  
12 product-by-product basis track what RCD -- within a product ID  
13 name, they can't track what specific physical product will  
14 have an RCD or PMIC or a buffer from Supplier X or Supplier Y.

15           And so what we've asked them to do is just to provide us  
16 with the relative amounts of each of those components that  
17 they receive from each of those third-party suppliers that  
18 could be used in those products. And that seems to us that  
19 would resolve the issue. And obviously they know how many of  
20 those products they ordered from each of their suppliers.  
21 That would just be an invoice.

22           THE COURT: All right. Go ahead, Mr. Rueckheim.

23           MR. RUECKHEIM: Your Honor, Mike Rueckheim again.

24           I think the parties are close on this. Netlist's motion  
25 has substantially narrowed. And Mr. Sheasby asked me today --

1 we actually met and conferred on Sunday night, and I think the  
2 hurricane kind of interrupted travel plans, but we talked just  
3 two nights ago on Sunday night where we discussed this issue  
4 of whether production of sales information per component could  
5 somehow be used to estimate or reflect what components go with  
6 the end product, and that information is not tracked.

7 And so I think Micron is open, so I've told him that I  
8 want to talk to Micron. I just got this request on Sunday  
9 night. I think -- and I did talk to the guy. I actually just  
10 heard back. But I think Micron's open. We want to just  
11 discuss with the stipulation could be that is fair, but I  
12 think we can probably moot that, but we just need to have  
13 further discussions.

14 THE COURT: So what are you suggesting might be the  
15 resolution?

16 MR. RUECKHEIM: I think -- and Mr. Sheasby can  
17 correct me if I'm wrong, but I think he's asking for some kind  
18 of stipulation between the parties that production information  
19 that Micron has regarding purchase of these certain products  
20 at issue that--they're called third-party components, such as  
21 RCDs, data buffers--whether Micron's purchase of these  
22 components can reflect the distribution of suppliers used for  
23 the actual accused products. And so we need to, you know,  
24 talk with the smart people at Micron to make sure that all  
25 makes sense, the financial crew, but I think that's something

1 we can probably put to bed and have an agreement on.

2 THE COURT: Well, is the reason there's some  
3 question that some of these products might be used for accused  
4 products and unaccused products?

5 MR. RUECKHEIM: Correct, Your Honor. It's -- I  
6 think the main issue is Netlist has asked us to produce  
7 documents showing the percentage of, let's say--Montage is a  
8 supplier here--of Montage components within the accused  
9 products versus another supplier, and we just don't have that  
10 level of granularity.

11 But with respect to components we purchase from Montage,  
12 we'll have a number there, we'll have the accused products,  
13 and we can figure out some kind of way where it makes sense  
14 that here is your distributed percentage of these third-party  
15 components. It really shouldn't relate to issues, I would  
16 think, such as damages, because that's more just Micron's  
17 accused product sales. We're not looking -- I don't think  
18 they're looking at these third-party components for that. But  
19 I think we can get the information together and very likely  
20 come to some agreement.

21 THE COURT: All right. Thank you, Mr. Rueckheim.

22 Mr. Sheasby, are you at this point disputing the position  
23 that Micron doesn't track that information on a  
24 product-by-product basis?

25 MR. SHEASBY: I'm not, Your Honor. I take



1 Mr. Rueckheim's representation on that. So what we --  
2 the next step would be just to provide the number of those  
3 components they order from each supplier. We don't even need  
4 a stipulation if they're not going to -- because I'd like to  
5 get this resolved now. And so if we just have the number of  
6 components that are -- that they purchased from each of the  
7 suppliers, that will give us the ratio that we need.

8 THE COURT: So what we would be talking about there  
9 is the number of components that Micron purchases, some of  
10 which end up in the accused products, but not necessarily all  
11 of which do.

12 MR. SHEASBY: But we'll have a ratio and we think  
13 that ratio will be reliable.

14 THE COURT: All right. Mr. Rueckheim, I understand  
15 that you may be able to reach a stipulation that would avoid a  
16 dispute down the road about this, but in terms of discovery,  
17 is there any reason that Micron shouldn't produce those raw  
18 numbers that Netlist is now seeking?

19 MR. RUECKHEIM: No reason at all, Your Honor. We've  
20 already offered to produce those numbers.

21 THE COURT: All right. Well, then I'll just note  
22 that Micron has agreed to produce the overall numbers of those  
23 component products that it purchases from each of the relevant  
24 manufacturers.

25 MR. RUECKHEIM: Understood.

1 THE COURT: All right.

2 MR. RUECKHEIM: And I think the next one might be  
3 me, Your Honor, but when you're ready.

4 THE COURT: All right. Go ahead, Mr. Rueckheim.

5 MR. RUECKHEIM: So with respect to Micron's motion  
6 to compel, Docket 135, micron is asking for production of a  
7 limited subset of materials from Netlist's litigations with  
8 SK hynix that was a few years ago. I believe this limited  
9 subset of materials would likely be in the 20- to 30-document  
10 range, potentially.

11 We're looking for really -- it's set out in the joint  
12 status report, but it's drafts of settlement agreements and  
13 offers, expert reports, witness statements, and depo hearing  
14 statements, transcripts in the pre- and post-trial briefing.

15 The relevance here, Your Honor, is that there is an  
16 overlapping accused product and there's also patents that were  
17 in the same family that Netlist is asserting here. And we've  
18 seen this just recently with respect to deposition of our  
19 expert Doctor Stone. Netlist's counsel put up materials that  
20 Doctor Stone submitted in the Netlist/SK hynix litigation, and  
21 there's issues overlapping there between, what Your Honor may  
22 remember from the claim construction hearing, this fork in the  
23 road idea, which is also at issue with respect to the SK hynix  
24 allegations. And so we think there's very significant  
25 technical relevance here.

1           There's also relevance with respect to the settlement  
2 agreements and offers here, because whether these patents  
3 relate to RAND or FRAND obligations and whether Netlist, if  
4 so, has breached their RAND or FRAND obligation can be  
5 informed by these offers. And so to the extent that Netlist  
6 and SK hynix are discussing RAND issues or valuations for  
7 portfolio versus specific license, these are all very relevant  
8 to these RAND issues.

9           And so Netlist is countering on a relevance ground. That  
10 is simply just not tenable at this stage for discoverability.  
11 We have narrowly tailored our request. We're not seeking  
12 everything in the SK hynix litigation, nor would I want to  
13 review everything from the SK hynix litigation--that's a lot  
14 of material. We are seeking a very narrow amount of materials  
15 here, and that is our request.

16           Thank you, Your Honor.

17           THE COURT: Tell me, Mr. Rueckheim, what do you mean  
18 by witness statements?

19           MR. RUECKHEIM: There was an ITC case and a district  
20 court case, and so we're looking at the witness statements in  
21 the ITC; the affirmative presentation of testimony -- written  
22 testimony to the ITC.

23           THE COURT: All right. Is it all from an ITC  
24 proceeding, or was there a district court proceeding also?

25           MR. RUECKHEIM: District court as well.

1           THE COURT: All right. Are any of the experts that  
2           you're seeking the reports of also involved in the current  
3           litigation?

4           MR. RUECKHEIM: I believe so. One in  
5           particular--Doctor Stone, who I just mentioned. I'm not  
6           sure about the rest, Your Honor.

7           THE COURT: All right. How are you proposing that  
8           third-party confidential information that was revealed  
9           pursuant to a protective order in that matter should be  
10          handled if any of that is produced in this litigation?

11          MR. RUECKHEIM: I don't know if there is an issue  
12          there, Your Honor. We've asked for this material really since  
13          the start of the litigation going back to at least January I  
14          believe is mentioned in the briefing, and I don't know if  
15          Netlist has had conversations with SK hynix as to whether they  
16          can produce the information to Micron or if there is a concern  
17          that needs to be addressed.

18          THE COURT: Have you been provided the license that  
19          ultimately issued in that case?

20          MR. RUECKHEIM: Yes, we have.

21          THE COURT: All right. Why would the negotiating  
22          documents be relevant, then?

23          MR. RUECKHEIM: To inform the RAND question, whether  
24          Netlist is offering Micron a reasonable and non-discriminatory  
25          license with respect to the present case. It would definitely

1 be informed based on how Netlist and SK hynix discuss the  
2 licensing of individual patents versus a portfolio of patents  
3 or what is actually the reasonable and non-discriminatory rate  
4 here.

5 THE COURT: I think that the Federal Circuit has  
6 made it fairly clear that what FRAND is dealing with is what  
7 the ultimate license contains, not what the parties'  
8 negotiating positions were that got to that agreement. I'm  
9 not familiar with any Federal Circuit authority that would  
10 indicate that a FRAND rate depends on the negotiation history  
11 that led to it. Are you?

12 MR. RUECKHEIM: One second, Your Honor.

13 (Pause in proceedings.)

14 MR. RUECKHEIM: So I should have remembered this,  
15 Your Honor, because I was actually involved in the case, but  
16 it's cited on page 4 of our motion is the *Sol IP versus*--I was  
17 representing Ericsson in the case--but *AT&T mobility*. It's an  
18 Eastern District of Texas case that granted a motion to compel  
19 discovery on these license offers and proposals because they  
20 were relevant to the RAND and FRAND issues there.

21 THE COURT: All right. And how would you say that  
22 this case relates to the *Sol IP* case?

23 MR. RUECKHEIM: There was less patents at issue in  
24 this case. Sol I think had somewhere -- about 20 patents  
25 asserted. But how it relates is really just the RAND issues.

1 THE COURT: Well, for one thing, I think in that  
2 case we were talking about licenses to the patents-in-suit and  
3 offers that had been made to license the patents-in-suit.

4 Are the patents currently asserted in this case the same  
5 patents as were involved in the SK hynix case?

6 MR. RUECKHEIM: They are not, Your Honor. They are  
7 in the patent family, but they are covered under the portfolio  
8 license that was granted, as is typical for patents and  
9 continuations.

10 THE COURT: Well, I can tell you they feel that, if  
11 anything, I understand this law better than I did when I wrote  
12 that opinion. But in any event, do you have any other  
13 authority on that?

14 MR. RUECKHEIM: That is the authority we cited.  
15 We'd like to see the materials, Your Honor, and I don't think  
16 there is any burden -- there could be any burden argument here  
17 because they can -- they can simply press a button and produce  
18 it to us, but we'd like to see it. And if there is a question  
19 about admissibility or, you know, about 403 down the road, I  
20 think we can deal with it at the MIL stage. That's our  
21 position, Your Honor.

22 THE COURT: All right. I think the concern that has  
23 always deterred the Court from ordering the production of the  
24 negotiations themselves is that doing that would chill  
25 settlement negotiations in current cases if there was a

1 concern that those negotiations would become open for  
2 discovery in future cases, and that's what I guess weighs  
3 against the probative value. And I just don't know what the  
4 probative value of those negotiations would be when you have a  
5 consummated license.

6 MR. RUECKHEIM: It may address Your Honor's concern  
7 if -- I just don't know. Looking at these documents, I just  
8 don't know whether they could relate to the RAND issues or  
9 not, and so it may be -- it's just an in camera review process  
10 or some other process that will make that determination as to  
11 whether, you know, they would arguably relate to RAND. And I  
12 assume Netlist and Micron might disagree on what that means,  
13 but if there's a way to mechanic that in order to address that  
14 concern, that would be my only suggestion.

15 THE COURT: All right.

16 MR. RUECKHEIM: Thank you, Your Honor.

17 THE COURT: Thank you.

18 MR. SHEASBY: Your Honor, I'll start with the issue  
19 of the settlement negotiations. The patents that were  
20 asserted against SK hynix were not the patents at issue in  
21 this case. Micron has not offered to provide any of its  
22 negotiation records for any of its license agreements. There  
23 is no claim of breach of a FRAND obligation live in this case,  
24 and I -- and we would respectfully submit that it is  
25 pernicious from a public policy standpoint to produce

1 negotiation materials when there's a final consummated  
2 agreement. If there wasn't a final consummated agreement, I  
3 would understand why a different approach may be necessary,  
4 but in this case there was.

5 As to the SK hynix ITC materials, the patents-at-suit in  
6 this case were not the patents-in-suit in this case. They are  
7 correct that there was one overlapping expert that is actually  
8 their expert. Mr. Stone was adverse to Netlist in the  
9 SK hynix cases, and he is also adverse to Netlist in these  
10 cases.

11 So the only expert that we have in this case -- none of  
12 Netlist's experts from this case were Netlist's experts in the  
13 -- I believe in the SK hynix cases. At least not on -- there  
14 may be one exception to that, but that person, previous  
15 expert, was not dealing -- it's Doctor Brogioli. But Doctor  
16 Brogioli would be dealing with HBM patents, and his previous  
17 work with us did not relate to HBM patents.

18 We do believe that there is some scope of appropriate  
19 production from SK hynix. What we have agreed to produce and  
20 what was acceptable in the *Netlist versus Samsung* case was the  
21 witness statements, trial testimony, and deposition of our  
22 corporate officers, which was CK Hong, Gail Sasaki, and JB  
23 Kim, as well as the trial statements and deposition testimony  
24 of our inventors. That would give them the factual  
25 information as opposed to SK hynix specific information or



1 third-party supplier specific information, and it would allow  
2 them to make sure that witnesses in this case were not saying  
3 inconsistent things with what was said in the last case.

4 But claim construction briefing and expert analysis of  
5 infringement on completely different products and patents that  
6 have different claims, that is far too afield. And we,  
7 frankly, do not want to go through the process of having to  
8 redact out all the confidential information for what would  
9 seem to be a limited -- a limited probative value given that  
10 there is different patents.

11 So the short answer is they are entitled to something.  
12 We've already acknowledged they are entitled to something. We  
13 offered to give them the same thing that was provided  
14 acceptably in the *Netlist versus Samsung* case which relates to  
15 these same patents, and none of the our experts in this case  
16 will -- were experts in the previous case for us testifying on  
17 the same subject.

18 THE COURT: Well, I don't believe that under the  
19 law statements by experts are admissible in other proceedings  
20 against the party that retained them, so I have never taken  
21 the position that expert reports from other litigation need to  
22 be provided in discovery. In this case, since there is an  
23 overlapping expert, I do believe that any report by -- is it  
24 Doctor Stone?

25 MR. SHEASBY: It is, Your Honor.

1 THE COURT: From the hynix -- SK hynix litigation  
2 should be provided to Micron in this litigation. I will deny  
3 the request for the settlement negotiations as long as the  
4 consummated settlement license agreement has been produced. I  
5 agree that any witness statements--and by that I'm referring  
6 to declarations that were offered to the tribunal as opposed  
7 to internal work product of the lawyers--any witness  
8 statements from Netlist certainly. Were there other witness  
9 statements from individuals other than those representing  
10 Netlist that were offered?

11 MR. SHEASBY: There were an immense number of  
12 witness statements in the proceedings. I think there were  
13 three ITC proceedings. That's why the three core witnesses,  
14 the three corporate officers and the inventors was what we had  
15 produced last time. I don't know what other witness  
16 statements there are -- there were.

17 THE COURT: Well, I will require that Netlist  
18 provide to Micron a list of the witness statements that are  
19 being withheld.

20 MR. SHEASBY: Yes, sir.

21 THE COURT: And if Micron can show a need for those,  
22 then I'm open to considering that request. Deposition  
23 transcripts, the same thing--it will be as to the  
24 representatives of Netlist and a list of the others that are  
25 not provided.

1           Is the briefing all sealed?

2           MR. SHEASBY: It is.

3           THE COURT: And is that because of third-party  
4 information or something else?

5           MR. SHEASBY: It's all sealed because of SK hynix  
6 confidential information and third-party confidential  
7 information because the third parties used the -- like Micron,  
8 SK hynix used third parties for the chips they put on their  
9 modules. So the vast majority of the sealing will actually be  
10 third-party confidential information.

11           THE COURT: Well, all right. Then thank you,  
12 Mr. Sheasby.

13           Mr. Rueckheim, if you want parts of the record from that  
14 proceeding that are sealed, I think that's a request you'll  
15 have to make to the tribunal that sealed them.

16           MR. RUECKHEIM: Understand, Your Honor.

17           One point of clarification. I think Mr. Sheasby also  
18 -- Your Honor ordered production of reports and I assume  
19 deposition testimony by Doctor Stone.

20           Mr. Sheasby also mentioned an expert Doctor Brogioli--and  
21 I'm sure I'm pronouncing that wrong--that is at issue in the  
22 prior litigation and at issue in this litigation. And so we  
23 would just make sure Your Honor understood that in making his  
24 order. And we'd also ask, unless Your Honor's already  
25 considered it, if there are any experts that opined on the

1 same overlapping accused product here, the DDR4 LRDIMM or any  
2 of the patents in the same family at the asserted patents. If  
3 Netlist used these experts to characterize its invention in  
4 one way in that proceeding and its current experts are  
5 characterizing different proceedings, we'd love to see that,  
6 too.

7 THE COURT: Why would statements by those experts be  
8 controlling on Netlist?

9 MR. RUECKHEIM: Netlist put up these experts as  
10 their agent, Your Honor, in my opinion. So if they were  
11 offering this testimony as Netlist's position to one tribunal,  
12 and then they tried to hire different experts for this  
13 tribunal to offer a different position I think is very fair  
14 game to me -- for me to ask their expert didn't Netlist say  
15 the opposite in a prior litigation? How does that affect your  
16 opinion now?

17 THE COURT: Well, two things. One, let me note,  
18 you're saying there is a second expert that is common to the  
19 two cases?

20 MR. RUECKHEIM: Correct. I think the name is Doctor  
21 Brogioli. And I have no way of spelling that. I'm sorry.

22 THE COURT: All right. I'll include that doctor in  
23 this. As to other experts, it's never been my impression of  
24 the law that the opinion of an expert is binding on the party  
25 in a different case, but I'll take a look at that and see if

1       that has changed.

2               MR. RUECKHEIM: Understood, Your Honor. Thank you,  
3       Your Honor.

4               THE COURT: All right. Then I will include that in  
5       the order.

6               Anything else on this motion, Mr. Rueckheim?

7               MR. RUECKHEIM: No, Your Honor.

8               THE COURT: All right. Mr. Sheasby, what about you?

9               MR. SHEASBY: No, Your Honor. That concludes all  
10       scheduled motions for today, and Netlist thanks you.

11              THE COURT: There is another motion, and I think the  
12       briefing on it is perhaps still going on. Is that something  
13       that either side thinks it would be helpful to take up today?

14              MR. SHEASBY: We don't, Your Honor. There is two  
15       other motions pending. There was one of them the briefing has  
16       not been completed. It's a motion to enforce Your Honor's  
17       previously -- previous ruling on financial information and  
18       qualification information. That briefing has not been  
19       completed.

20              There is also just been a brief that was filed on Monday.  
21       Statements were made in that brief that I think may moot the  
22       motion. We just need to meet and confer with them on that.

23              THE COURT: All right. Well, I will set a hearing  
24       on the additional motions in due course, then.

25              MR. SHEASBY: Thank you for your time, Your Honor.

1 MR. RUECKHEIM: Thank you, Your Honor.

2 THE COURT: All right. Thank you.

3 And we're adjourned.

4 (End of hearing.)

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I HEREBY CERTIFY THAT THE FOREGOING IS A  
CORRECT TRANSCRIPT FROM THE RECORD OF  
PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.  
I FURTHER CERTIFY THAT THE TRANSCRIPT FEES  
FORMAT COMPLY WITH THOSE PRESCRIBED BY THE  
COURT AND THE JUDICIAL CONFERENCE OF THE  
UNITED STATES.

S/Shawn McRoberts 08/24/2023

DATE  
SHAWN McROBERTS, RMR, CRR  
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